For the Federal fiscal years beginning	The amount of historic coal funds we annually distribute to you will be
(1) October 1, 2007 and October 1, 2008.	50 percent of the amount we calculate using the formula described in paragraph (b) of this section.
(2) October 1, 2009 and October 1, 2010.	75 percent of the amount we calculated using the formula described in paragraph (b) of this section.
(3) October 1, 2011 and continuing through September 30, 2022.	100 percent of the amount we calculate using the for- mula described in para- graph (b) of this section.
(4) October 1, 2022 (fiscal year 2023), and thereafter.	100 percent of the amount we calculate using the formula described in paragraph (b) of this section until funds are no longer available or you have reclaimed your remaining Priority 1 and 2 coal problems.

- (d) In any given year, we will only distribute to you the historic coal funds that you need to reclaim your unfunded Priority 1 or 2 coal problems. Your distribution of State or Tribal share funds under §872.14 or §872.17 plus your distribution of historic coal funds along with unused funds from prior allocations could be more than you need to reclaim your remaining high priority problems. If that occurs, we will reduce the historic coal funds we distribute to you to the amount that you need to fully fund reclamation of all your remaining Priority 1 or 2 coal problems.
- (e) We award these funds to you in grants according to the provisions of part 886 of this chapter.

§ 872.23 Are there any restrictions on how you may use historic coal funds?

Yes. You may only use historic coal funds for:

- (a) Coal reclamation under §874.12 of this chapter;
- (b) Water supply restoration under §874.14 of this chapter;
- (c) Noncoal reclamation under §875.12 of this chapter that is requested under section 409(c) of SMCRA;
- (d) Deposit into an acid mine drainage abatement and treatment fund under part 876 of this chapter;
- (e) Land acquisition under §879.11 of this chapter; and
- (f) Maintenance of the AML inventory under section 403(c) of SMCRA.

§ 872.24 What are Federal expense funds?

"Federal expense funds" are moneys available in the Fund that are not allocated or distributed as State share funds (§872.14), Tribal share funds (§872.17), historic coal funds (§872.21), or minimum program make up funds (§872.26). Congress must appropriate Federal expense funds before we may expend them.

§ 872.25 Are there any restrictions on how OSM may use Federal expense funds?

- (a) We may use Federal expense funds only for the purposes in sections 402(g)(3)(A) through (D) and 402(g)(4) of SMCRA, which include the following:
- (1) The Small Operator Assistance Program under section 507(c) of SMCRA (not more than \$10 million annually);
- (2) Emergency projects under State, Tribal, and Federal programs under section 410 of SMCRA;
- (3) Nonemergency projects in States and on lands within the jurisdiction of Indian tribes that do not have an approved abandoned mine reclamation program under section 405 of SMCRA;
- (4) The Secretary's administration of Title IV of SMCRA and this subchapter; and
- (5) Projects authorized under section 402(g)(4) in States and on lands within the jurisdiction of Indian tribes that do not have an approved abandoned mine reclamation program under section 405 of SMCRA.
- (b) We will not deduct moneys that we have annually allocated or distributed as Federal expense funds under sections 402(g)(3)(A) through (D) or (4) of SMCRA for any State or Indian tribe from moneys we annually allocate or distribute to a State or Indian tribe under the authority of sections 402(g)(1) or (5) of SMCRA.
- (c) We expend moneys under the authority in section 402(g)(3)(C) of SMCRA only in States or on Indian lands where the State or Indian tribe does not have an abandoned mine reclamation program approved under section 405 of SMCRA.